

Disclosure notice for unlisted disclosing entity

ANNEXURE A

PHOSPHATE RESOURCES LTD (PRL)

TAKEOVER BID BY CI RESOURCES LTD (CII)

The Directors of PRL have received a takeover notice from CI Resources Ltd (CII) which holds 1,808,580 (63.05%) of the PRL shares that they intend to issue a Bidders statement to acquire the remaining 1,059,727 shares (36.95%) in PRL that it does not hold.

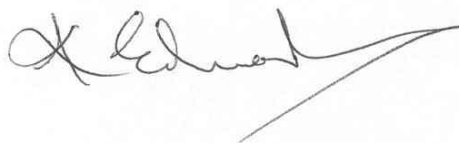
The offer is for CII to issue a further 42,706,999 shares in CII so that the PRL shareholders receive 40.3 CII shares for each PRL share they hold.

The Directors are all satisfied that this is in effect a merger proposal granting the PRL minority shareholders an equivalent proportion of shares in the merged entity and all Directors consider the offer fair and reasonable and in the best interests of shareholders.

However, to ensure that there is no appearance of a conflict of interest the Directors have vested full authority in those Independent Directors, who are neither Directors of CII nor associated with significant shareholders of CII, to obtain the report of an Independent Expert and provide the formal response and advice of the company to its shareholders in accordance with the requirements of the Corporations Act 2001.

The Independent Directors (Messrs Brown, Lai and Chan) have engaged RSM Bird Cameron to issue an Independent Experts Report as to whether the offer is fair and reasonable. They have also instructed the Company Secretary to finalise a Target Statement for issue to our shareholders.

It is anticipated that the Independent Experts Report and the Target Statement incorporating the recommendations and advice of the Independent Directors should be issued to shareholders on or about the 21st October 2014.



Kevin Edwards
Company Secretary
10 October 2014